investors. The streamlining will include simplification of regulations to open a foreign office, issuance of work permits for foreign nationals employed with banks, airlines, shipping, oil and gas exploration, etc.

c) Regulatory authorities for Natural Gas, Petroleum Regulatory Board, National Electric Power Regulatory Authority, Insurance Regulatory Authority

d) Replacing Corporate Law Authority with a Securities Exchange and Corporate Affairs Commission of Pakistan (SECAP)

e) A trade policy for 1997-98 with simplified procedures for export, import of raw material and machinery for export-oriented industries. Incentives have been provided for improving the competitive edge of the exportable goods and encouraging exports of value-added goods.

The current reform process is aimed at creating an environment in which the process for most investments becomes streamlined, simple and transparent. The currency and banking reforms have resulted in the availability of foreign exchange and other financial instruments for importers. The economic reform agenda adopted by the current government has come after a particularly bleak performance by Pakistan's economy in 1996-97. Investor confidence and local industry revival are being keenly watched by observers.

Despite the ongoing economic reforms, a number of tariff and non-tariff barriers remain which hinder access to the Pakistan market. The law and order situation in major cities, poor infrastructure facilities, relatively high tariff rates and licensing requirements still act as impediments to market access.

1. Import Policies

Import Licensing - Pakistan's complex licensing rules have been simplified significantly for most consumer goods, agriculture products, machinery and raw material for export-oriented industry. Import restrictions still remain complex for livestock, pharmaceutical and certain chemicals.

Quantitative Restrictions - Despite continuing reforms, import of certain consumer goods are still not permitted, except for a few products such as food grains imported by the government agencies. Other sectors face quota restrictions. The liberation of quantitative restrictions is usually based on an absence of domestic production.

Antidumping - Pakistan has prepared its antidumping legislation and the GOP expects to present it shortly to Parliament for approval.

2. Government Procurement

Domestic Preference - Pakistan government procurement practices are not standardized or transparent and often local suppliers get preferences. Price remains the most important factor even though better quality could lower overall costs over time. When foreign financing is involved, government procurement agencies tend to follow multilateral development bank requirements for international tenders.

Countertrade - The role of countertrade as a significant tool in the international trade with Pakistan has been reduced considerably. However, private trading houses continue to use the instrument wherever beneficial.